

**STAFF MEETING MINUTES
LANCASTER COUNTY BOARD OF COMMISSIONERS
COUNTY-CITY BUILDING, ROOM 113
THURSDAY, SEPTEMBER 1, 2005
8:30 A.M.**

Commissioners Present: Larry Hudkins, Chair
Bernie Heier
Bob Workman

Commissioners Absent: Deb Schorr, Vice Chair
Ray Stevens

Others Present: Kerry Eagan, Chief Administrative Officer
Gwen Thorpe, Deputy Chief Administrative Officer
Trish Owen, Chief Deputy County Clerk
Melissa Koci, County Clerk's Office

The Chair opened the meeting at 8:31 a.m.

AGENDA ITEM

1 APPROVAL OF THE STAFF MEETING MINUTES OF THURSDAY, AUGUST 25, 2005

MOTION: Workman moved and Heier seconded approval of the Staff Meeting minutes. Workman and Hudkins voted aye. Heier abstained. Motion carried.

2 ADDITIONS TO THE AGENDA

- A. Ethanol
- B. Health Provider's Summit

MOTION: Heier moved and Workman seconded approval of the additions to the agenda. Heier, Workman and Hudkins voted aye. Motion carried.

2 ADDITIONS TO THE AGENDA

- A. Ethanol

Heier said the original motion was to have Don Thomas purchase E10 Blended Gasoline for the County vehicles, however he questioned the minutes of August 18th where Thomas said the County's current supplier does not have ethanol on hand and the County would need to get it at the pipeline if it wants to continue the practice of servicing the district offices and patrol stations itself. Heier said he posed the following questions to Kathy Smith, Purchasing:

- Does Sapp Bros. keep E10 on hand? She said no, it must be blended at the Terminal, which is no different than the unleaded fuel.
- Does Sapp Bros. require a minimum of 4500 gallons an order on E10? She said no, they require a minimum of 500 gallons.
- The County must pay an extra 8 cents a gallon for E10 delivery due to tank wagon deliver, which is extra on any kind of fuel.
- Can E-10 be splashed blended? She said not at the Lincoln Conoco Terminal, regulations have changed on this process and it is no longer allowed at the Lincoln terminal, they do all blending (unleaded and E10) at the terminal.

Heier believes there is no basis for not using E10.

1st MOTION: Heier moved and Hudkins seconded to go back to the original motion prior to the August 18th motion instructing the County Engineer to purchase E10 Blended Gasoline for their vehicles.

2nd MOTION: Heier moved and Hudkins seconded to add the Ethanol issue as an emergency item to the agenda due to the Gulf Crisis and because fuel prices have risen 50 cents in the past couple of days. Heier and Hudkins voted aye. Workman voted no. Motion carried.

There was extensive discussion regarding the County's use of E10 Blended Gasoline.

ROLL CALL FROM 1st MOTION: Heier and Hudkins voted aye. Workman voted no. Motion carried.

3rd MOTION: Workman moved and Hudkins seconded to send the letter that Heier read into the record to the County Engineer and that the County Engineer keep a record of the savings or extra expenses related to Ethanol.

FRIENDLY AMENDMENT TO 3rd MOTION: Heier moved and Hudkins seconded to amend the motion to include a comparison of savings and expenses over the last 2½ years. Hudkins and Heier voted aye. Workman voted no. Motion carried.

ROLL CALL FROM 3rd MOTION: Heier and Hudkins voted aye. Workman voted no. Motion carried.

B. Health Provider's Summit

Hudkins indicated Nebraska income has been increasing 4% and health care costs have been increasing about 10.3%. He also said the Latino population in the schools for this year is 19%, compared to only 4% last year.

3 HORSESHOE DRIVEWAYS - Larry Worrell, County Surveyor; Kristy Mundt, Deputy County Attorney

Larry Worrell, County Surveyor, appeared and indicated the horseshoe driveways resolution has been revised to indicate that only one means of access will be permitted within platted subdivisions of 3 acres or less, and less than 200' frontage onto a public or private street and double frontage lots shall have one side excluded from the frontage total. He also said no access permits shall be issued for any private entrance, exit or approach road located within a 150 foot radius of the centerpoint of the intersection of any County or public road. Worrell also noted only one means of access will be permitted for tracts of land 20 acres or less, that have frontage onto a County road, unless permission is otherwise obtained from the County Engineer.

Hudkins suggested looking at the horseshoe driveways within the one-mile that want to abut a County road.

Heier indicated he has a problem with having only one means of access for tracts of land 20 acres or less.

Worrell said a section could be added to read "accessory drives shall be defined and applied for through the County Engineer".

Hudkins suggested adding language that says the County Engineer will consider 10-acres or more or anything that was a buildable lot prior to 1979.

The Board agreed to bring the item back on a Staff Meeting agenda when all Commissioner's are present.

Kristy Mundt, Deputy County Attorney, appeared and indicated the County Attorney's Legal Opinion needs to be looked at again by the Board.

4 POTENTIAL LITIGATION - Jim Plouzek, County Engineer's Office; Kristy Mundt, Deputy County Attorney

MOTION: Heier moved and Workman seconded to enter into Executive Session at 9:01 a.m. for the purpose of discussing potential litigation. Heier, Hudkins and Workman voted aye. Motion carried.

MOTION: Workman moved and Heier seconded to exit Executive Session at 9:20 a.m. Workman, Heier and Hudkins voted aye. Motion carried.

5 RECOMMENDATIONS FROM THE PENSION REVIEW COMMITTEE REGARDING ANNUAL INVESTMENT REPORT - Pension Review Committee

Eagan distributed documentation regarding the recommendations from the Pension Review Committee (Exhibits A & B) and outlined the following recommendations regarding proposed changes to investment array and structure of pension website:

- Nationwide Retirement Solutions (NRS) should provide the County with a list of possible alternatives for the Neuberger Berman High Income Fund because of poor performance;
- Place the Franklin Balance Sheet on the watch list to be monitored for continued style drift, and request additional information from NRS regarding Diamond Hill Small Cap A and Dreyfus Premier Small Cap Value Fund funds;
- Request NRS to provide alternatives to the American Century Ultra Fund; and
- Request information from NRS regarding the possibility of including account information on the Post Employment Health Plan (PEHP) on the same website with the 401(A) pension plan and the 457 deferred compensation plan.

Doug Cyr, Deputy County Attorney, appeared and said he thinks the Franklin Fund is a good fund with consistent returns over 10 years.

Eagan said if Lancaster County doesn't trust Nationwide to do Lancaster County's business, then Nationwide shouldn't be doing the investment plan review. He believes the County should take some of the revenue sharing funds and hire a consultant to come up with an Annual Investment Performance Report.

Cyr also believes it would be money well spent to bring in a consultant every year to review the plan and let Lancaster County know what is going on in the industry. Cyr also noted there should be more and better investments available in the PEHP plan because right now there are only a couple available.

MOTION: Heier moved and Workman seconded to direct Eagan to send the proposed changes and recommendations to Nationwide for their review, including adding more investments to the PEHP Plan. Workman, Heier and Hudkins voted aye. Motion carried.

Eagan noted an RFP would have to go out if the Board decided to hire a consultant to monitor an investment policy and array.

6 JUVENILE SERVICES PER DIEM - Dave Kroeker, Budget & Fiscal Officer; Dennis Banks, Juvenile Services Director; Judy Foote, Juvenile Services Administrative Services Officer

Dave Kroeker, Budget & Fiscal Officer, appeared and distributed documentation regarding the Youth Services Center's Per Diem Rate (Exhibit C). He indicated he received a couple calls from the State regarding the Juvenile Services Per Diem and how the County came up with the figure. He said the new per diem rate will be \$234 a day based on the population and the contract will go into effect September 30, 2005.

MOTION: Heier moved and Workman seconded to authorize the Budget Director to submit documentation to the State regarding the Juvenile Services Per Diem Rate of \$234 because the population is lower. Workman, Hudkins and Heier voted aye. Motion carried.

7 ACTION ITEMS

A. Letter of Support for National Congress of State Games Symposium

MOTION: Workman moved and Heier seconded approval of sending the Letter of Support. Heier, Workman and Hudkins voted aye. Motion carried.

B. Paycheck Insert from 1st Choice Credit Union for September 8, 2005

MOTION: Workman moved and Heier seconded to allow the paycheck insert for September 8, 2005. Heier, Hudkins and Workman voted aye. Motion carried.

9 ADMINISTRATIVE OFFICER REPORT

A. Appointment to Lincoln-Lancaster County Women's Commission (Leticia Meza-Casarin)

Eagan reported the appointment will go on Tuesday's County Board Agenda.

11 DISCUSSION OF BOARD MEMBER MEETINGS

A. Arena Task Force - Schorr, Hudkins

Hudkins reported the Task Force discussed the costs to build a new arena in the Haymarket and what would have to be done to make it possible. He said they also talked about replacement of Pershing Auditorium and Bennet Library wanting the space. Hudkins also noted they said a new arena needs to be built with 5,000 to 15,000 seats and is 35 feet high.

Heier said he has heard the Task Force is overloaded with members and maybe the County Board should see a list of the members. He also commented about the Qwest Center and it failing by not being able to book enough conferences.

B. LIBA Monthly Meeting - Heier, Workman

Workman reported the Events Center expressed their concern about being outnumbered on the Arena Task Force. He also said they discussed the new fees for wells and septic systems and concerns from Richard Meginnis, who would like to be kept informed about the Health Department inspections.

Hudkins said he spoke with the Board of Realtors regarding the Health Department increasing their fees on inspections and not actually doing any work, which will cost the homeowner more. He wants to make sure that the Homebuilder's Association and Realtor's Association get an invitation to the Health Department meeting regarding the new fees.

C. Downtown Lincoln Association Board Meeting - Stevens

Stevens was absent.

ADJOURNMENT

MOTION: Workman moved and Heier seconded to adjourn the meeting at 11:05 a.m. Heier, Hudkins and Workman voted aye. Motion carried.

Bruce Medcalf
Lancaster County Clerk